

**Minutes of the School Facilities Commission
Wyoming Army National Guard
Cheyenne, Wyoming**

January 26, 2010

Chairman Gilpatrick called the meeting to order at 8:05 a.m.

Present: Commissioner Algier, Commissioner Goodson, Commissioner Marsh, Commissioner McBride, Chairman Gilpatrick and Director Daraie.

Commissioner McBride made a motion to move into Executive Session. Commissioner Carrier seconded the motion. Motion passed unanimously.

Commissioner Carrier made a motion to adjourn the Executive Session. Commissioner McBride seconded the motion. Motion passed unanimously. The regular meeting reconvened at 9:41 a.m.

Chairman Gilpatrick welcomed the attendees and acknowledged Representative Ross Diercks and welcomed Gary Kloefkorn; thanking him for his assistance with the assignment by Governor Freudenthal.

Approval of Meeting Agenda

Commissioner Marsh made a motion to amend the agenda by adding Sheridan County School District #1 as an action item and deleting Laramie School District #2 from the action items; and deleting "Definitions" from reports. Commissioner Algier seconded the motion. Motion passed unanimously.

Approval of Previous Meeting Minutes

Commissioner Goodson made a motion to approve the meeting minutes from the December 8, 2009 meeting as presented. Commissioner McBride seconded the motion. Motion passed unanimously.

Financial Report

Deputy Director for Finance, Merle Smith, gave a brief overview of the summary report, stating that the SFC has processed project payments in the amount of \$35.3 Million since the last Commission meeting. Under "unobligated funds", Mr. Smith reported a balance of \$1.9 Million, and under the SFC contingency, was \$4.9 Million of unobligated funds that can be accessed as well. Mr. Smith further informed the Commission that within the next 4-5 months approximately 9 projects will be closed out.

Commissioner Algier asked that terms used in the financial reports be better defined. Commissioner Algier asked specifically that the staff provide definitions for the following: "obligated", "unobligated", "allocation", "reallocation", and "reversion". Director Ken Daraie stated that staff would ensure the terms used in the financial report were used in a manner consistent with the definitions.

The Commission questioned a discrepancy between the two reports. Mr. Smith Stated one report was for projects with a set budget and the other report was for projects that came in under or over budget.

Director Daraie requested clarification regarding whether the Commission would prefer the staff change the dollar amounts prior to the Commission approving the reversions and reallocations or rather have the dollar amounts from the previous financial statement carried forward. Commissioner McBride agreed that the Commission would like to see more detail in the financial report and that the Commissioners should approve projects and changes to projects prior to changes being reflected in the financial reports.

Mr. Smith informed the Commission that in February a committee will be gathered to review the financial reports and make necessary changes in order to provide better and more detailed information to the Commission.

Chairman Gilpatrick suggested financial reporting for the work session so that less time is taken for review at the commission meeting.

Commissioner Algier added that the "Current Construction Report" does not reflect change orders, which would help explain things better. Ms. Algier would also like to have the Current Construction Report reflect when the project was approved for funding.

Commissioner Goodson made a motion to accept the financial report, which approves the reversion and the additions. Commissioner Algier seconded the motion. Motion passed unanimously.

Mr. Dave LaPlante informed the Commission that there are 28 projects the SFC will be closing out soon, some of which go back to year 2004.

Weston County School District #1

Commissioner Goodson made a motion to take Weston County School District #1 from the table and bring it back on the floor. Chairman Gilpatrick called for a vote. The motion was voted upon by roll call with all members present and in favor of the motion; motion passed.

Dr. Jim Lowham informed the Commission that Superintendent Brad LaCroix was not able to attend the Commission meeting, and he handed out an email from Mr. LaCroix. Commissioner Marsh commented that in the initial major cap payment request of \$156,175, two items were listed: the security system and the floor to eliminate the moisture. Commissioner Marsh questioned whether the projects were major capital projects or whether the projects would fall into the Major Maintenance category. Commissioner Marsh also asked whether any payment had been made on the request. Director Daraie indicated partial payment had been made and that \$148,599 was the amount in dispute. Commissioner Marsh clarified that the SFC budget for the projects was \$52,000 for the bleachers and the payment request reflected the cost estimate was \$52,000.

Commissioner Marsh made a motion that the Commission allow, but not as a means of setting precedence for future decisions of the Commission, the District to use future 10% District Major

Maintenance set-aside funds in an amount not to exceed \$52,000 dollars for the component project submittal approved and dated on February 22, 2008 in order to reimburse the District general fund for this obligation. This action shall be considered an exception. Commissioner McBride seconded the motion. Motion passed. Further discussion was held by the Commission.

Design Guidelines

Mr. Jim Coleman, of Coleman Engineering, gave a presentation on site guidelines which will assist school districts and design professionals with selection, purchase, and/or development of a site.

Commissioner Algier made a motion to approve the Design Guidelines presented. The motion was seconded by Commissioner Marsh.

Commissioner Algier stated that the guidelines have been thoroughly thought out, and as an amendment to the motion, suggested inserting into the introduction that the guidelines are intended to encourage design innovation, addressing environmental issues, new technology, and examination of all factors that contribute to a high performance building. A friendly amendment to the motion was accepted.

Motion passed unanimously.

Sheridan County School District #1

Commissioner Goodson made a motion to rescind the action the Commission made at the December 2009 meeting for funding of the lease agreement. The motion was seconded by Commissioner McBride. Chairman Gilpatrick called for a vote. The motion was voted upon by role call with all members present and in favor of the motion; motion passed.

Superintendent, Sue Belish and the district Business Manager, Jeremy Smith attended the meeting for this presentation. Dr. Jim Lowham informed the Commission that he visited the site on December 15, 2009 and he described the site of the new construction. Dr. Lowham told the Commission that the SFC had not told the district that that a staging area was not needed. Dr. Lowham also told the Commission that in this instance, the staging area is particularly important as the construction site is extremely confined. Dr. Lowham informed the Commission that there are approximately 10 acres in the staging area and 5 acres for a play area that was leased by the district and for which the district is seeking reimbursement. Superintendent Belish added that the play area is used for P.E. for elementary, middle school, and high school.

Chairman Gilpatrick stated that the Commission has a process for entering into a lease which needs the approval of the Commission which was not followed by the district. Chairman Gilpatrick also stated that there had been an internal miscommunication which resulted in the staff making payments for the lease without prior Commission approval.

Commissioner Goodson stated that the Commission does pay for staging areas and believed it should pay in this instance, but Commissioner Goodson questioned whether the Commission should pay for the play field. Chairman Gilpatrick added that the lease was a poor lease because the district was committed for a solid three years with no termination mechanism.

Commissioner Marsh asked the Superintendent to enlighten the Commission as to why the district moved in this direction. Superintendent Belish stated that construction was not part of her education, and that the district was advised by SFC staff to obtain staging. Superintendent Belish indicated that the lease may not have been the best, but that no one advised her any other way, or informed the district that it needed to come to the Commission for approval of the lease prior to executing it. Mrs. Belish also added that the district has had 7 different SFC project managers. Mrs. Belish told the Commission that the district was acting in good faith and that there was never an intent to circumvent SFC processes.

Director Daraie asked Mrs. Belish how many children use the play field. Mrs. Belish indicated that there are 450 children using the area from elementary to high school.

Commissioner Marsh extended an apology to the district, and acknowledged the miscommunication and error made by Commission staff.

Commissioner Marsh asked Superintendent Belish what she saw as a reasonable resolution to this issue. Mrs. Belish stated she would like to see approval of the lease payments for the duration of the construction.

Commissioner Marsh made a motion to approve the lease payments until the construction is completed on middle school/high school, and that the staging area be restored to the original state. Commissioner McBride seconded the motion. Motion passed.

At 11:05 a.m. a recess was taken. The regular meeting reconvened at 11:19 a.m.

Reports

Report on the most recent meeting with the Joint Appropriations Committee

Director Ken Daraie provided the Commission with the budget that was submitted to the JAC and explained the Governor's recommendations on the SFC budget. The JAC will take into consideration the Governor's recommendations.

Report on the most recent meeting of the Select Committee on School Facilities

Director Ken Daraie thanked Commissioners Marsh, Goodson, and Carrier for participating in the meeting that reviewed the audit, and action plan.

Commissioner Marsh asked that a copy of the Audit Action Report be e-mailed to all the Commission members.

Dr. Lowham stated the SFC staff has made progress on the report, and spent about 2 ½ hours with the Select Committee going over the Audit Action Report. The two reports – the construction report and the design report - are an attachment to the Audit Action Report. The two spread sheets identify current projects, and which SFC staff member is assigned to each project. Dr. Lowham also informed the Commission that Todd Wilder has left the SFC and is now a facilities manager for Park County School District #1.

Commissioner Goodson stated that staff did an excellent job with the reports. The Select Committee has a better understanding and a higher level of confidence in what the SFC staff is doing. Things are being quantified and documented. He commended the staff on a good job, and although it takes a lot of time he believes it's been worth the time.

Commissioner Algier would like to see two more columns added to the current construction project report; specifically, the GMP if it's a CMAR or Design Build project or the bid dollar amount if the project is Design, Bid Build., and a column with change orders and a total if necessary.

The Commission canceled the February Commission meeting. The next meeting will be March 8-9, 2010 in Casper.

Commissioner McBride made a motion that the meeting be adjourned; Commission Goodson seconded the motion; motion passed unanimously. The meeting adjourned at 11:49